Supreme Court, U.S.
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No.

In The

Supreme Court of the United States

October Term, 1995

AUDREY LEE and NIKKI N. LEE,

Petitioners,

vs.

SHIRLEY GOODMAN,

Respondent.

Petition for Writ of Certiorari to the United States Court of Appeals for the Fifth Circuit

PETITION FOR WRIT OF CERTIORARI

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75 pp

QUESTION PRESENTED

Does the three-year statute of limitations provided by 17 U.S.C. § 507(b) (1976) control a claim for a declaration of co-authorship and co-ownership of copyright in a joint work under 17 U.S.C. §§ 101 and 201(a), combined with an accounting of profits pursuant thereto against other co-owners of royalty rights therein?

LIST OF PARTIES

The names of all parties to the proceedings in the court whose judgment is sought to be reviewed here appear in the caption of the case. There is no parent or subsidiary company of any party to be listed.

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Appendix I — Relevant Statutes 48a

The Petitioners, Audrey Lee and Nikki N. Lee, respectfully pray that a writ of certiorari issue to review the judgment and opinion of the United States Court of Appeals for the Fifth Circuit, entered in the above-entitled proceeding on April 1, 1996.

OPINIONS BELOW

The opinion of the United States Court of Appeals for the Fifth Circuit is reported at 78 F.3d 1007 and is reprinted in Appendix A hereto. The memorandum and order of the United States District Court for the Eastern District of Louisiana (Morey L. Sear, J.) dated December 19, 1994 is reprinted in Appendix B hereto.

STATEMENT OF JURISDICTION

The opinion of the Fifth Circuit was entered herein on April 1, 1996. No petition for rehearing was filed. The jurisdiction of this Court to review the judgment of the Fifth Circuit is invoked under 28 U.S.C. § 1254(1).

STATUTE INVOLVED

This case involves 17 U.S.C. § 507(b) (1976), reproduced in Appendix I, 52-53 hereto, set forth below:

> No Civil Action shall be maintained under the provisions of this title unless it is commenced within three years after the claim accrued.

STATEMENT OF THE CASE

On July 9, 1985, Respondent, Shirley Goodman, brought this action in the Eastern District of Louisiana for a declaration of co-authorship and co-ownership of the 1956 copyright including the 1984 renewal, in the musical composition entitled "Let The Good Times Roll" (the Song), together with a constructive trust based upon an accounting of profits for fifty percent of the royalties therefrom as well as damages for fraud and misappropriation against Petitioners, Audrey Lee and Nikki N. Lee (the Lees), the surviving widow and child, respectively, of Leonard Lee (Leonard) who died in 1976. On February 5, 1986, the District Court dismissed Goodman's complaint for lack of subject matter jurisdiction (Appendix G). The Fifth Circuit Court of Appeals reversed and remanded on the ground that Respondent's claim for declaratory judgment to establish copyright co-authorship required the interpretation and application of the copyright co-ownership provisions of joint works,[1] thereby establishing federal question jurisdiction.[2] (*Goodman v. Lee*, 815 F.2d 1030 (5th Cir. 1987); Appendix F, 39-44).

The case was tried to a jury on January 14 and 15, 1988, at which Goodman and others testified that Goodman and Leonard had collaborated in writing the Song in 1956 during the time they were performing and recording together under the name "Shirley and Lee." The jury found that Goodman was a co-author of "Let The Good Times Roll."

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1. 17 U.S.C. § 101 "A 'joint work' is a work prepared by two or more authors with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole."; § 201(a) "Copyright in a work protected under this title vests initially in the author or authors of the work. The authors of a joint work are co-owners of copyright in the work."; Appendix I, 48-49.

2. 28 U.S.C. § 1338(a).

It was also shown at trial that the registration of the copyright for the Song named Leonard as the sole author of the words and music and that he had received all of the writer's royalties from the Song from 1956 until the time of his death in 1976, after which the Lees collected such writer's royalties .[3]

Through the years the song was recorded by well-known artists such as Barbara Streisand, B.B. King and Ray Charles. [4] Goodman testified at trial that she knew of the recordings made by other prominent artists and that she did not receive any royalties from such recordings.

In 1984, after the Lees had renewed the copyright in the Song pursuant to 17 U.S.C. § 304(a),[5] Goodman demanded payment of her share of the royalties that the Lees had received from the Song, and she then commenced this action.[6] The judgment entered by the District Court on February 29, 1988 provides that Goodman is a co-owner of the copyright of the Song and is entitled to one-half of the income therefrom, together with pre-judgment interest, and ordered the Register of Copyrights to rectify the records of the Copyright Office to indicate that Goodman is a co-author and co-owner of the 1956 copyright registration in the Song and the 1984 renewal thereof (Appendix E).

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3. *Goodman v. Lee*, 78 F.3d 3007, 1010 (5th Cir. 1996); Appendix A.

4. *Id.*, 78 F.3d at page 1007.

5. 17 U.S.C. § 304(a)(1)(C) provides that "the widow, widower or child of the author, if the author is not living . . . shall be entitled to a renewal and extension of the copyright."

6. *Goodman v. Lee, supra*, at page 1007.

Thereafter, the District Court, in its final amended judgment entered January 23, 1995, awarded Goodman one-half of all royalties, domestic and foreign, received by the Lees from 1976 to 1993 in the amount of $278,293.02, together with prejudgment interest at the rate set by Louisiana Civil Code Article 2924 in the additional amount of $392,606.37, for a total award of $670,899.39, plus costs (Appendix B).

In arriving at such determination, the District Court rejected Petitioners' contention that the monetary award to Respondent should be limited to the period of three years prior to the commencement of the action pursuant to the statute of limitations provided by 17 U S.C. § 507(b) of the Copyright Act of 1976 (Memorandum and Order of the District Court filed December 20, 1994; Appendix D, 29). In so doing, District Judge Sear stated:

> If plaintiff's claim arises solely under copyright law or if copyright law preempts plaintiff's state law claims, then the three-year state of limitations provided by the Copyright Act applies and plaintiff's recovery should be limited to the period of three years prior to the commencement of the action. . . .
>
> Plaintiff's fraud claim required her to prove the existence of an intentional misrepresentation and therefore is not preempted by the federal copyright law. Because plaintiff's damages arise under her fraud claim, rather than under her declaratory action pursuant to the copyright law, the statute of limitations for fraud should apply.[7]

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7. Appendix D, 29-31.

Accordingly, Judge Sear applied the ten-year statute of limitations for personal actions provided by Louisiana Civil Code Article 3499.[8]

Petitioners vigorously argued to the Fifth Circuit Court that there was no evidence whatsoever in the record to support any finding of fraud against the Lees. In response thereto, the Fifth Circuit Court decided not to address petitioners' arguments with respect to the validity of Goodman's fraud claim, stating that her fraud claim was "superfluous," and held "that Goodman is entitled to recover the entirety of the damages that she was awarded, solely on the basis of her action to recover revenues collected by a co-owner."[9]

Petitioners contended that the three-year statute of limitations set forth in § 507(b) of the Copyright Act governs this action so that Goodman's recovery should be limited to the period beginning no earlier than three years before the action was brought, that is, relating back no further than July 8, 1982. The Fifth Circuit Court held that the applicability of federal law ended with the determination that Goodman is a co-owner of the copyright in the Song and that her claim for an accounting is governed in all respects by state law and the principles applicable to a co-owner's duty to account for profits derived from licensing or use of a jointly owned copyright.[10]

> Section 507(b) of the Copyright Act provides that "[n]o civil action shall be maintained under the provisions of this title

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8. *Id.* at 31.

9. *Goodman v. Lee, supra*, 78 F.3d at page 1012, f n. 17.

10. 78 F.3d at page 1011; Appendix A, B.

> unless it is commenced within three years after the claim accrued." But this case does not present an action that is "maintained under the provisions" of the Copyright Act. The Act details at length precisely which civil actions and remedies are available for copyright infringements. Nowhere in the Act, however, do its provisions detail any action available to a co-owner for an accounting. Instead, as discussed above, such an action is governed by state law. Consequently, even though the case requires an interpretation of the Copyright Act's definition of a joint work — thereby compelling the assumption of federal jurisdiction — the action is not being maintained under the provisions of the Copyright Act: There are no provisions in the Act establishing or governing such an action. Accordingly, we reject the Lees' contention that the three-year statute of limitations set out in § 507(b) governs Goodman's claim. [11]

Accordingly, the Fifth Circuit Court applied the Louisiana ten-year statute of limitations for an action by a co-owner for an accounting, which does not begin to run until demand is made. "As Goodman first demanded her share of the income derived from 'Let the Good Times Roll' in 1984, her action, filed in 1985, was timely." [12]

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11. 78 F.3d at page 1013; Appendix A, 12.

12. 78 F.3d at page 1012; Appendix A, 11.

REASONS FOR GRANTING THE WRIT

I.

THE DETERMINATION THAT AN ACCOUNTING OF PROFITS INCIDENT TO A DECLARATION OF CO-OWNERSHIP OF COPYRIGHT IS GOVERNED BY THE THREE-YEAR STATUTE OF LIMITATIONS PROVIDED BY 17 U.S.C. § 507(b) WILL PROMOTE NATIONWIDE UNIFORMITY, WHEREAS THE SIGNIFICANT DIFFERENCES IN LIMITATIONS OF ACTIONS UNDER THE LAWS OF THE SEVERAL STATES WITH RESPECT TO ACCOUNTINGS BETWEEN CO-TENANTS OF REAL PROPERTY PRODUCES A CHILLING EFFECT UPON THE STABILITY OF BUSINESS TRANSACTIONS INCLUDING THE TRANSFER AND EXPLOITATION OF JOINTLY OWNED COPYRIGHTED WORKS AND ENCOURAGES FORUM SHOPPING.

17 U.S.C. § 507(b) of the Copyright Act of 1976 provides that, "No civil action shall be maintained under the provisions of this title unless it is commenced within three years after the claim accrued."

Prior to 1957 there was no statute of limitations in the Copyright Act for civil actions arising thereunder. The federal courts applied the applicable statute of limitations in the state in which the action was brought. "This led to a wide divergence of time periods in which infringement suits could be brought in the various states and thus encouraged forum shopping. The Senate report[13] on the bill which became the limitations statute leaves no doubt but that the purpose of the legislation incorporating the

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13. 2 U.S. Code Cong. and Action News 1964 (1957).

three-year limitations period was to provide a uniform federal period of limitations applicable throughout the United States." *Prather v. Neva Paperbacks, Inc.*, 446 F.2d 338, 339 (5th Cir. 1971). 17 U.S.C § 115(b), enacted in 1957, is substantially identical to § 507(b) (M. & D. Nimmer, *Nimmer on Copyright*, § 12.05 at 12-108 (1996) (hereinafter "Nimmer").

The judgment of the Fifth Circuit in *Goodman v. Lee*[14] sought to be reviewed by this Court takes us back to the chaotic conditions before the enactment of § 115(b), now § 507(b), as applied to actions between co-owners of statutory copyright in joint works.

The text of § 507(b) does not limit its scope to remedies for infringement but extends "to any civil action maintained under this title."

As stated in *Accountability Among Co-Owners of Statutory Copyright*, 72 Harvard Law Review 1550 (1959) at page 1564:

> It might be argued that actions for accounting between co-owners are not subject to this limitation [§ 115(b)], since co-ownership is not recognized by any provision of the act. But all other sections of the act are applied to co-ownership when relevant, and there seems to be no reason for excepting section 115(b).

More recently, in *Stone v. Williams*, 970 F.2d 1043 (2nd Cir. 1992), *cert. denied*, 508 U.S. 906, 113 S. Ct. 2331, 124 L. Ed. 2d 243 (1993), it was held that an action for a declaration of co-ownership of renewal copyrights under the Acts of 1909 and

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14. 78 F.3d 1007, 1013.

1976 together with an accounting of profits and royalties pursuant thereto brought against the other co-owners of the renewal copyrights of songs written by the late country music singer Hank Williams, Sr. was governed by the three-year statute of limitations in § 507(b). At page 1050.

> The same rule that governs infringements of copyrights applies to renewal royalties. Infringements of copyrights are actionable because they deprive the copyright holder of the exclusive benefit from exploitation of that work to which he or she is statutorily entitled. *See* 17 U.S.C. § 106. *Cf. Washingtonian Publishing Co. v. Pearson,* 306 U.S. 30, 39, 59 S. Ct. 397, 401-02, 83 L. Ed. 470 (1939) (value of copyright depends on the possibility of its enforcement). Similarly, copyright renewals are a property interest created by statute for the remunerative benefit of the author, or if the author is not alive at the expiration of the original term, for a class of designated statutory beneficiaries. *See, e.g., Stewart v. Abend,* 495 U.S. 207, 217-19, 110 S. Ct. 1750, 175859, 109 L. Ed. 2d 184 (1990). Each time the holder of a copyright renewal is deprived of his or her statutory entitlement, for example, by nonpayment of royalties, a distinct harm is done to the owner's property interest. Stone's failure to seek relief promptly for violations of her entitlement to renewal copyrights does not make defendants immune from suit for later violations.

II.

RESOLUTION OF THE QUESTION WHETHER THE THREE-YEAR STATUTE OF LIMITATIONS PROVIDED BY 17 U.S.C. § 507(b) APPLIES TO CIVIL ACTIONS BETWEEN CO-OWNERS OF PRE-1978 COPYRIGHTS IN JOINT WORKS IS AN IMPORTANT QUESTION OF FEDERAL STATUTORY CONSTRUCTION AS TO WHICH THERE NOW EXISTS A CONFLICT BETWEEN THE FIFTH, NINTH AND SECOND CIRCUITS. MOREOVER, THIS ISSUE INVOLVES ONE OF THE PRIMARY POLICY OBJECTIVES OF NATIONAL UNIFORMITY SOUGHT TO BE ACHIEVED BY CONGRESS BY THE PREEMPTION PROVISIONS OF 17 U.S.C. § 301.[15]

The position of the Fifth Circuit below is that the rights and duties of co-owners to use and exploit copyrighted joint works subject to a duty to account to the other co-owners does not derive from the federal copyright statute but comes from general principles of state law relating to tenants in common.[16] Reliance is placed on House Report No. 94-1476, 17 U.S.C.A. § 201(a) page 343;

> There is also no need for a specific statutory provision concerning the rights and duties of the coowners of a work; court-made law on this point is left undisturbed. Under the bill, as under the present law, coowners of

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15. Appendix I, 50-51.

16. *Goodman v. Lee*, 78 F.3d at pages 1011-12.

> a copyright would be treated generally as tenants in common, with each coowner having an independent right to use or license the use of a work, subject to a duty of accounting to the other coowners for any profits.

The Ninth Circuit is in accord with the Fifth Circuit in this regard. *Oddo v. Reis,* 743 F.2d 630, 633 (9th Cir. 1984), a co-owner's duty to account comes from "equitable doctrines relating to unjust enrichment and general principles of law governing the rights of co-owners," quoting from *Picture Music, Inc. v. Bourne, Inc.*, 314 F. Supp. 640, 646-47 (S.D.N.Y. 1970), *aff'd,* 457 F.2d 1213 (2nd Cir.), *cert. denied,* 409 U.S. 997, 935 S. Ct. 320, 34 L. Ed. 2d 262 (1972).

Whereas the Second Circuit took a contrary position in *Stone v. Williams*, 970 F.2d 1043 (2nd Cir. 1992), *cert. denied,* 508 U.S. 906, 413 S. Ct. 2931, 124 L. Ed. 2d 243 (1993), holding that the three-year period of limitations in § 507(b) governs a co-owner's claim for an accounting of profits and royalties against the other co-owners of the same songs, reasoning that both a copyright as well as a copyright renewal is created by the federal copyright statute. The opinion in *Stone v. Williams, supra,* may weaken the authority of *Oddo v. Reis, supra,* because that Ninth Circuit case relies upon pre-*Stone v. Williams* New York District Court and Second Circuit cases.

The copyright co-ownership cases, mostly federal, determining the incidents and characteristics of the rights and duties of copyright co-owners as between themselves flowing from the relationship itself and patterned to a large extent on the model of tenants in common of real property, are analyzed in 1 Nimmer § 6.01 at 6-3 through § 3.12[6] at 6-40, and may be summarized to the effect that: (i) each co-owner has a unilateral

right to use non-exclusively and to grant non-exclusive use licenses to third parties for the entirety of the jointly owned work, subject to the duty to account to the other co-owners for their proportionate fractional shares of the net profits derived therefrom; and (ii) each co-owner can transfer his entire interest to a third party, in which event the transferee then occupies the same relationship formerly held by the transferor as a co-owner with the same reciprocal rights and duties to the other co-owners, except that the transferor need not account to the other co-owners for the consideration received from the transferee for such transfer. These special rules of co-ownership can readily be adapted to the exclusive rights of a copyright owner set out in 17 U.S.C. § 106(a), Appendix I, 48, which are exclusive rights (1) to reproduce the copyrighted work; (2) to prepare derivative works based on the copyrighted work; (3) to distribute copies of the copyrighted work to the public by sale or other transfer, or by rental, lease or lending; (4) with respect to specified classes of works, to perform the copyrighted work publicly; and (5) with respect to specified classes of works, to display the copyrighted work publicly.

The Hegelian leap to make all of the foregoing exclusive rights applicable to co-owners as between themselves is to construe each co-owner to have an exclusive right to use and license the use of the co-owned work ***non-exclusively*** in each of the five categories delineated in § 106(a), stated above.

An exclusive license issued by a co-owner violates the exclusive rights of the other co-owners to issue nonexclusive licenses; and a failure of a co-owner to account under a nonexclusive license converts such license to a de facto exclusive license to the economic detriment of the other co-owners.

Any co-owner can transfer the entirety of his co-ownership

interest to another person. 17 U.S.C. § 201(d), Appendix I, 49-50. This makes clear the application of the last sentence in § 201(d) that, "The owner of any exclusive right is entitled, ***to the extent of that right,*** to all the protection and remedies accorded to the copyright owner by this title" (emphasis added). The italicized phrase may be related back to the construction of the exclusive rights enumerated in § 106(a) to mean in the case of co-owners the exclusive right to use nonexclusively and the exclusive right to issue non-exclusive licenses to third parties.

These "exclusive" rights to deal non-exclusively with the jointly owned work when violated cast the wrongdoing co-owner as an infringer under 17 U S.C. § 501(a), Appendix I, 51; and permit the innocent co-owners to recover damages and profits from the infringing co-owner under 17 U.S.C. § 504(b), Appendix I, 52. This approach to the matter should survive any possible question about the applicability of the three-year statute of limitations provided by § 507(b) to such infringement action by co-owners against an infringing co-owner. It also shatters the reified concept that a copyright co-owner cannot infringe a jointly owned copyrighted work.

From the standpoint of business reality and the economic impact of the Fifth Circuit opinion below on the stability of transactions involving copyrighted musical works such as, for example, individual songs and catalogs of songs, Respondent, Shirley Goodman, first made demand on Petitioner, Audrey Lee, for Goodman's share of royalty income from "Let The Good Times Roll" in December 1984, 28 years after the song was first released on a Shirley and Lee record; and the Fifth Circuit furthermore invoked a Louisiana state statute of limitations for an accounting of ten years that accrues upon demand. Hence Goodman could have waited another ten years to 1994 before making demand and would then have had until the year 2005 to commence her action; that is, 49 years from the first public release of the Song.

What business person would feel comfortable to invest substantial capital in acquiring a copyrighted song and still more to exploit the work when an unknown and unsuspected person could come along an indeterminate number of years later and claim co-ownership of a fifty percent interest in such song, including, as a windfall, the future results and proceeds from a song made valuable and productive by the time, effort and investment of capital of others to establish such work? What transferor would feel comfortable giving the purchaser an indemnity against claims, loss and damage for an indeterminate period of time? These are not rhetorical questions but hard economic facts that will have to be confronted in the music industry, with unsettling effects, by reason of the Fifth Circuit opinion below.

This result is dramatically opposed to the principle of preemption under 17 U.S.C. §§ 301(a) and (b), Appendix I, 50-51, a major policy objective sought to be achieved by the Copyright Act of 1976.

CONCLUSION

For all of the foregoing reasons, it is submitted that this petition for a writ of certiorari to the United States Court of Appeals for the Fifth Circuit should be granted.

Respectfully submitted,

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APPENDIX A — OPINION OF THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT DATED APRIL 1, 1996

Shirley GOODMAN, Plaintiff-Appellee,

v.

Audrey LEE and Nikki N. Lee, Defendants-Appellants.

No. 95-30071.

United States Court of Appeals, Fifth Circuit.

April 1, 1996.

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David L. Carrigee, New Orleans, LA. Robert D. Hoffman, Jr., Burke & Mayer, New Orleans, LA. for Atlantic Music Corp.

Appeal from the United States District Court for the Eastern District of Louisiana.

Appendix A

Before JOLLY, WIENER and EMILIO M. GARZA, Circuit Judges.

WIENER, Circuit Judge:

Plaintiff-Appellee Shirley Goodman filed this action in 1985 against Defendants-Appellants Audrey and Nikki Lee (the Lees), respectively the widow and daughter of Leonard Lee (Leonard). Goodman sought inter alia a declaration that, together with Leonard, she was a co-author of the rock and roll hit "Let the Good Times Roll," and an accounting from the Lees for all royalties received from the use and exploitation of that song. Goodman thereby let roll a seemingly endless legal battle, instigating litigation that has lingered in the federal courts for more than ten years. After a jury trial and several post-trial hearings, the district court entered a final judgment declaring Goodman a joint owner of the copyright of "Let the Good Times Roll"; ordering the Register of Copyrights to identify her as a co-author and joint owner of the copyright registration; and awarding her one-half of all royalties received by the Lees from 1976 to 1993, together with prejudgment interest computed for those dates at the rates set forth in the Louisiana Civil Code. We affirm.

I.

FACTS AND PROCEEDINGS

From 1953 through 1961, the young Goodman and her childhood friend, Leonard, worked together as a rock and roll duo, composing and recording songs under the professional name of "Shirley and Lee." In 1956, "Shirley and Lee" composed their biggest hit, "Let the Good Times Roll," a song which was

eventually to be rerecorded by such well known artists as Barbra Streisand, B.B. King, and Ray Charles. Even though Goodman asserts—and the jury found—that she co-authored "Let the Good Times Roll" with Leonard, when the song was copyrighted as a result of Leonard's efforts, he was listed as its sole author. Consequently, he received all of the royalties from "Let the Good Times Roll" from 1956 to the time of his death in 1976. After Leonard died, the Lees continued collecting the income from the song.

In 1984, after the Lees had authorized the renewal of the copyright pursuant to 17 U.S.C. § 304(a),[1] Goodman demanded payment of her share of the royalties that they had received from the song. The following year she filed this suit against the Lees in federal district court, seeking a declaration that (1) "Let the Good Times Roll" constituted a joint work under the provisions of the Copyright Act,[2] and (2) her name should be included on the copyright registration as a joint author and co-owner of the copyright. Goodman also asked the court to order an accounting from the Lees for one-half of the royalties received from the

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1. See 17 U.S.C.S. § 304(a(l)(C) (Law.Co-op 1994) (providing that "the widow, widower or children of the author, if the author is not living, . . . shall be entitled to a renewal and extension of the copyright").

2. See 17 U.S.C.S. § 101 (Law.Co-op 1994) (defining a joint work as "a work prepared by two or more authors with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole"); see also 17 U.S.C.S. 201(a) (Law.Co-op 1994) (providing that "[t]he authors of a joint work are co-owners of copyright in the work"). As we have earlier noted, "[a]lthough the original copyright to 'Let the Good Times Roll' was acquired under the Copyright Act of 1909, the later Copyright Act of 1976 makes no substantive change in the provisions relevant to this case." See Goodman v. Lee, 815 F.2d 1030, 1032 n. 6 (5th Cir. 1987) [hereinafter Goodman I].

song, and she brought inter alia a state law fraud claim against Audrey Lee. Even though Leonard's succession was judicially opened in 1977 and has never been closed, Goodman named neither the estate nor the succession representative[3] as a defendant in the action.

The district court initially dismissed Goodman's action for lack of subject matter jurisdiction. But, in Goodrnan I, we reversed that determination, holding that the district court had exclusive original jurisdiction over Goodman's action.[4] We reasoned that her claim for a declaratory judgrnent establishing her co-authorship of the song was a federal question arising under the federal copyright laws.[5] In January of 1988, the case was tried to a jury, which returned a verdict in favor of Goodrnan. The jury found that Goodman was a co-author of "Let the Good Times Roll" and that she "did not know or should not have known" until 1984 that Leonard had listed himself as the sole author on the copyright register of the song. In 1995, in its final judgment, the district court awarded Goodman $670,899.39—a sum comprising (1) one-half of all royalties received by the Lees from 1976 to 1993, and (2) prejudgment interest computed from 1976 to 1993 at the rates set by Louisiana Civil Code Article 2924.[6] The Lees timely appealed to this court.

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3. "Succession representative" is a generic term in Louisiana, referring to administrators of intestate successions and executors of testate successions.

4. See Goodman I, 815 F.2d 1030.

5. Id. (holding that Goodman's action arises under the Copyright Act because it "clearly involves the application and interpretation of the copyright ownership provisions" of the Copyright Act).

6. See LA.CIV.CODE ANN. art. 2924 (West 1987).

Appendix A

II.

ANALYSIS

A. EVIDENTIARY ISSUES

The Lees first contend that the district court abused its discretion by refusing to admit three items into evidence: (1) the 1956 Certificate of Copyright Registration for "Let the Good Times Roll"; (2) a published sheet music edition of the song that credited authorship of the song solely to Leonard Lee; and (3) music publishing statements received by Goodman between 1954 and 1981. The court refused to admit these documents because the Lees had neglected to identify them as exhibits in their pretrial order. We have consistently held that the determination whether to admit into evidence exhibits that are not listed in the pre-trial order is within the "broad discretion" of the district court.[7] Moreover, a district court need not consider matters omitted from a pre-trial order unless such consideration is necessary to prevent manifest injustice.[8] In the instant case, none dispute that the Lees not only knew of the existence of the subject documents for at least two years before trial but also had ready access to them. As the Lees have given no compelling justification for their failure to include these items in the pre-trial order, and as we are not convinced that the district court's decision produces manifest injustice, we hold that the court did not abuse its discretion by refusing to admit these exhibits.

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7. See Gilbert v. Tulane Univ., 909 F.2d 124, 127 (5th Cir. 1990) (citing Robert v. Conti Carriers and Terminals, Inc. 692 F.2d 22, 24 (5th Cir. 1982)); see also Trinity Carton Co., Inc. v. Falstaff Brewing Corp., 767 F.2d 184, 192 n. 13 (5th Cir. 1985) (citations omitted), cert. denied, 475 U.S. 1017, 106 S.Ct. 1202, 89 L.Ed.2d 315 (1986).

8. See Trinity Carton, 767 F.2d at 197 n. 13.

B. JURY INSTRUCTION

The Lees next contend that the district court committed plain error by failing to instruct the jury on the doctrine of constructive or inquiry notice. According to the Lees, without an instruction explaining the doctrine of constructive notice, the jurors "could not reasonably be expected to interpret" the following interrogatory: "Do you find by a preponderance of the evidence that Shirley Goodman did not know or should not have known that Leonard Lee listed himself as the sole author on the copyright register for 'Let the Good Times Roll' until 1984?" The Lees concede that at the time of the trial they failed to object to the jury charge given by the court.

We have repeatedly held that jury instructions issued without objection can lead to reversal only if plain error is demonstrated.[9] Reviewing for plain error entails determining whether "the deficient charge was likely responsible for an incorrect verdict which in itself creates a substantial injustice or resulted in a plain error so fundarnental as to result in a miscarriage of justice." [10]

We find no such error in the instant case. The Lees vastly overstate the level of guidance needed by the jury to understand the expression "should have known." Although the interrogatory

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9. See Int'l Meat Traders, Inc. v. H & M Food Sys., 70 F.3d 836, 840 (5th Cir.1995) (citing Highlands Ins. v. Nat'l Union Fire Ins., 27 F.3d 1027, 1032 (5th Cir.1994), cert. denied,__ U.S. __, 115 S.Ct. 903, 130 L.Ed.2d 786 (1995)); Kelly v. Boeing Petroleum Serv., 61 F.3d 350, 361 (5th Cir.1995).

10. Int'l Meat Traders, 70 F.3d at 840 (internal quotations omitted) (citing Kelly, 61 F.3d at 362; Rodrigue v. Dixilyn Corp., 620 F.2d 537, 540 (5th Cir.1980), cert. denied, 449 U.S. 1113, 101 S.Ct. 923, 66 L.Ed.2d 842 (1981)).

is not as detailed as the Lees have now decided that they would like it to have been, imprecision alone does not warrant reversal.[11] All in all, we are not convinced that the failure to issue an instruction explaining or defining constructive or inquiry notice resulted in a miscarriage of justice; accordingly, we decline the Lees' invitation to reverse the jury's verdict on this ground.

C. SUBSTANTIVE CLAIMS

Our analysis of the remainder of the Lees' arguments requires a disentangling of the relationship among Goodman's claims. This case is complicated by the fact that Goodman's claims are governed to some degree by federal law but in larger part by state law. We therefore pause for a moment to unravel the claims and to examine the applicability of federal and Louisiana law.

In Goodman I we held that the federal courts have exclusive original jurisdiction over Goodman's action because her request for a declaratory judgment to establish co-authorship under the Copyright Act necessitated the application and interpretation of the copyright ownership provisions of the Act.[12] Those provisions define a joint work and stipulate that joint authors of a work are co-owners of a copyright in the work.[13] In the instant case, the jury found Goodman to be a joint author with Leonard

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11. See United States v. Kington, 875 F.2d 1091, 1098 (5th Cir.1989).

12. See Goodman I, 815 F.2d at 1031-32.

13. See 17 U.S.C.S. §§101, 201(a).

of "Let the Good Times Roll." [14] As that finding is supported by the record, under the terms of the federal Copyright Act Goodman is a co-owner of the copyright in the song.

The applicability of federal law ends with that determination, as Goodman's claim for an accounting is governed in all respects by state law. It is widely recognized that "[a] co-owner of a copyright must account to other co-owners for any profits he earns from the licensing or use of the copyright. . . ."[15] Significantly, "the duty to account does not derive from the copyright law's proscription of infiingement. Rather, it comes from" . . . general principles of law governing the rights of co-owners. [16] As those general principles are rooted

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14. Even though the Lees contend that the district court erroneously refused to admit evidence that might have countered this finding, they do not argue that the evidence admitted at trial was insufficient to support it.

15. Oddo v. Ries, MME, 743 F.2d 630, 633 (9th Cir.1984) (intemal citations omitted); see also cases cited infra note 16.

16. Id. (emphasis added); see also Community for Creative Non-Violence, 846 F.2d 1485, 1498 (D.C.Cir. 1988) ("Joint authors co-owning copyright in a work are deemed to be tenants in common, with each having an independent right to use or license the copyright, subject only to a duty to account to the other co-owner for any profits owned thereby.") (internal quotations omitted), aff'd on other grounds, 490 U.S. 730,109 S.Ct. 2166,104 L.Ed.2d 811(1989); Shapiro, Bernstein & Co. v. Jerry Vogel Music Co., 223 F.2d 252 (2d Cir.1955); Korman v. Iglesias, 736 F.Supp. 261, 265 (S.D.Fla.1990) ("[T]he Copyright Act neglected to provide for remedies between co-authors. . . . The District of Columbia, Second, and Ninth Circuits have held and Congress must have intended that co-authors may claim for an accounting ... under common law principles since the Copyright Act makes no mention of how co-authors should enforce their rights to royalties as against

(Cont'd)

in state law, we look to the law of Louisiana for answers to the remaining issues presented by this appeal. [17]

1 . Louisiana Law of Co-Ownership

A Louisiana court may require a co-owner in possession to account to a co-owner out of possession for all revenues derived

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(Cont'd)
each other.") (applying Florida law to plaintiffs claim for share of royalties derived from joint work); Picture Music, Inc. v. Bourne, Inc., 314 F.Supp. 640, 646-47 (S.D.N.Y. 1970) ("It is clearly established that where a truly 'joint work' is created, each co-owner is akin to a tenant in common. Accordingly . . . compensation obtained from the unilateral exploitation of the joint work by one of the co-owners without the permission of the others is held in a 'constructive trust' for the mutual benefit of all owners, and there is a duty to account therefor.") (internal citations omitted), aff'd on other grounds, 457 F.2d 1213 (2d Cir.), cert. denied, 409 U.S. 997, 93 S.Ct. 320, 34 L.Ed.2d 262 (1972); H.R.REP. No. 94-1476, 94th Cong., 2d Sess. 121(1976) (stating that under the 1976 Copyright Act, as well as under 1909 Act, co-owners of copyrights are "treated generally as tenants in common, with each co-owner having an independent right to use or license the use of a work, subject to a duty of accountmg to the other co-owners for any profits").

17. Cf. Goodman I, 815 F.2d at 1031 (noting that even though federal jurisdiction existed over Goodman's claim for a declaration of co-ownership of the copyright, her demand for an accounting likely involved state law issues).

Goodman's fraud claim is also governed by state law. The Lees have raised a number of arguments with regard to the validity of the fraud claim. We need not address those arguments, as we hold that Goodman is entitled to recover the entirety of the damages that she was awarded, solely on the basis of her action to recover revenues collected by a co-owner. Her fraud claim is accordingly superfluous.

from the jointly owned property.[18] Stated differently, a co-owner has a right of action against another co-owner to recover his or her share of the fruits or products of the property held in common.[19] Accordingly, the district court correctly determined that Goodman is entitled to recover her share of the proceeds collected by the Lees from the use of "Let the Good Times Roll."

On the other hand, Goodman is not entitled to recover any part of the royalties received by Leonard before his death. She failed to name either his estate or its succession representative as a defendant in the action. The district court correctly noted that, under Louisiana law, once a succession has been opened judicially, it is a distinct legal entity that answers for the decedent's obligations until the succession proceedings have been closed.[20] Accordingly, "while a succession is under

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18. See Ellias v. Ellias, 651 So.2d 939, 942 (La.Ct.App.), writ denied, 654 So.2d 333 (La.1995); Riddle v. Simmons, 626 So.2d 811, 815 (La.Ct.App. 1993), writ denied, 637 So.2d 459 (La. 1994); Lambright v. Lambright, 264 So.2d 796, 800 (La.Ct.App. 1972) ("The established jurisprudence in this state is that a co-owner m possession of common properly may be required to account to his co-owner, out of possession, for all ... revenues derived from the property held in indivision."); Grubbs v. First Nat'l Bank of Shreveport, 182 So.2d 203, 206 (La.Ct.App.1965) ("[T]he rule is well established that a co-owner in possession of common property must account to his co-owner out of possession for all ... revenues derived by him therefrom."); Juneau v. Laborde, 228 La. 410, 82 So.2d 693, 695-95 (1955).

19. See Juneau, 82 So.2d 693; Ellwood Oil Co. v. Anderson, 655 So.2d 694 (La.Ct.App.) (citing Louisiana Civil Code article 798, which codified well established principles of co-ownership developed by Louisiana courts), writ denied, 661 So.2d 466 (La.1995); Ellias, 651 So.2d 939; see also Jeanne M. Gravois, Comment, The Revision of Louisiana Co- Ownership Law, 65 TUL.L.REV. 1261 (1991).

20. See sources cited infra note 21.

administration a suit against that estate must be brought against the [succession representative] whose duty is to defend the same."[21] As Goodman failed to join the succession representative of Leonard's estate, she cannot collect the royalties owed to her by the decedent—namely, the royalties collected by Leonard from the time the work was copyrighted in 1956 until his death in 1976.

2. Statute of Limitations

Under Louisiana law, an action by a co-owner for an accounting is governed by a ten-year prescriptive period (statute of limitations), which "d [oes] not begin to run until demand is made . . . for an accounting."[22] As Goodman first demanded her share of the income derived from "Let the Good Times Roll" in 1984, her action, filed in 1985, was timely.

In challenging this conclusion, the Lees argue that the three-year statute of limitations set forth in the Copyright Act governs this action. They assert that Goodman's claims accrued more than three years before she filed her complaint, and that the action is accordingly time-barred. They argue in the alternative that, at a minimum, Goodman's recovery should be limited to the period beginning no earlier than three years before the action was brought, i.e., relating back no further than 1982. Neither argument can prevail.

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21. See Interstate Collection Bureau v. Olivier, 457 So.2d 688, 689 (La.Ct.App.1984) ("[I]t is clear that while a succession is under administration a suit against that estate must be brought against the administrator whose duty is to defend the same.") (involving a claim brought by a creditor of the decedent); see also LA.CODE CIV.PROC. art. 734

22. Juneau, 82 So.2d at 697; see also Ellias, 651 So.2d at 942; Jones v. Jones, 236 La. 52, 106 So.2d 713, 722 (La.1958).

Section 507(b) of the Copyright Act provides that "[n]o civil action shall be maintained under the provisions of this title unless it is commenced within three years after the claim accrued." [23] But this case does not present an action that is "maintained under the provisions" of the Copyright Act. The Act details at length precisely which civil actions and remedies are available for copyright infringements.[24] Nowhere in the Act, however, do its provisions detail any action available to a co-owner for an accounting. Instead, as discussed above, such an action is governed by state law.[25] Consequently, even though the case requires an interpretation of the Copyright Act's definition of a joint work—thereby compelling the assumption of federal jurisdiction—the action is not being maintained under the provisions of the Copyright Act: There are no provisions in the Act establishing or governing such an action. Accordingly, we reject the Lees' contention that the three-year statute of limitations set out in § 507(b) governs Goodman's claim.

3. Laches

The Lees also argue that because Goodman's action was not brought for more than twenty years after the composition of "Let the Good Times Roll," her claims are barred by the equitable doctrine of laches. This argument is without merit: The Louisiana Supreme Court has specifically stated that the common law doctrine of laches does not apply to actions

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23. 17 U.S.C.S. § 507(b) (Law.Co-op 1994).

24. See 17 U.S.C.S. §§ 501-11 (Law.Co-op 1994).

25. See supra notes 15-17 and accompanying text.

maintained under Louisiana law.[26] Moreover, even if we were to assume arguendo that a federal common law doctrine of laches applies to Goodman's action, the Lees' argument would still fail. To establish that a cause of action is barred by laches, "the defendant must show (1) a delay in asserting the right or claim; (2) that the delay was not excusable; and (3) that there was undue prejudice to the defendant."[27] In the instant case, the Lees cannot establish that the delay by Goodman in filing her action was inexcusable. The jury specifically found that Goodman "did not know or should not have known that Leonard Lee listed himself as sole author on the copyright register for 'Let the Good Times Roll' until 1984." Additionally, after the Lees filed post-trial motions asserting that Goodman misrepresented the date on which she originally discovered her rights to royalties, the district court held further evidentiary hearings on the issue and corroborated the jury's finding. That finding is supported by the record, and it bars the conclusion that Goodman's delay was inexcusable. Accordingly, even if we were to apply a federal laches doctrine, it would not bar Goodman's claim.

4. Prejudgment Interest

The Lees further contend that the district court erred in

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26. See Cormier v. Clemco Serv. Corp., 48 F.3d 179 (5th Cir.1995) (quoting Billizon v. Conoco, Inc., 864 F.Supp. 571 (E.D.La.1994) (citing Picone v. Lyons, 601 So.2d 1375, 1377 (La.1992)); see also Dubuclet v. St. Paul Fire and Marine Ins. Co., 647 So.2d 1344, 1346 (La.Ct.App. 1994) (" 'The common law doctrine of laches does not prevail in Louisiana and the legislature may create, shorten, lengthen, or abolish prescriptive periods at its discretion.' ") (quoting Picone, 601 So.2d at 1377); Hendee Homes, Inc. v. Lee, 614 So.2d 733, 735 (La.Ct.App.), writ denied, 616 So.2d 707 (La. 1993).

27. See Geyen v. Marsh, 775 F.2d 1303, 1310 (5th Cir. 1985) (emphasis added).

awarding Goodman prejudgment interest beginning in 1976, the year in which the Lees started receiving royalties. They posit that prejudgment interest should have been awarded only from the date of judicial demand. We disagree. Louisiana law provides that "[w]hen the object of the performance is a sum of money, damages for delay in performance are measured by the interest on that sum from the time it is due. . . ."[28] A duty to account to a co-owner leads to the existence of a debt under Louisiana law,[29] and the obligation to pay that debt arises when revenues are received. Accordingly, we affirm the district court's award of prejudgment interest from 1976.

5. Deduction of Income Taxes from Royalties

Finally, for the first time on appeal, the Lees contend that the district court erred by awarding Goodman one-half of the gross royalties received from 1976-1993. Instead, the Lees insist that in calculating Goodman's share the district court should have deducted state and federal taxes from the gross receipts. We will consider issues not raised before the district court only if the new issue presents a purely legal question and if failure to consider the issue would result in a miscarriage of justice.[30] In the instant case, the Lees have not raised a purely legal issue, for our consideration of their argument would require a factual

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28. LA.CIV.CODE ANN. art. 2000 (West 1987 & Supp. 1996); see also Shell Offshore, Inc. v. Marr, 916 F.2d 1040 (5th Cir. 1990); Ortego v. Dupont, 611 So.2d 792 (La.Ct.App. 1992).

29. See, e.g., Grubbs v. First Nat'l Bank of Shreveport, 182 So.2d 203 (La.Ct.App. 1965).

30. See, e.g., Batiansila v. Advanced Cardiovascular Sys., Inc., 952 F.2d 893, 896 (5th Cir. 1992).

finding with regard to the taxes paid on the royalties. Neither have the Lees established that the calculation of damages based on the gross income received from "Let the Good Times Roll" amounts to a miscarriage of justice. Accordingly, we decline to consider this issue on appeal.

III.

CONCLUSION

For the foregoing reasons, we affirm the district court's judgment declaring Goodman a joint owner of the copyright of "Let the Good Times Roll"; ordering the Register of Copyrights to identify her as a co-author and joint owner of the copyright registration; and awarding her one-half of all royalties received by the Lees since 1976 together with prejudgment interest computed for the dates in question at the rates set forth in the Louisiana Civil Code.

AFFIRMED.

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APPENDIX B — AMENDED JUDGMENT OF THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF LOUISIANA FILED JANUARY 24, 1995

MINUTE ENTRY
SEAR, J.
JANUARY 23, 1995

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

CIVIL ACTION

NO. 85-2966

SECTION "G"

SHIRLEY GOODMAN

VERSUS

AUDREY LEE AND NIKKI LEE

AMENDED JUDGMENT

Considering the written Memoranda and Orders of the court dated December 23, 1994 and February 29, 1988;

IT IS ORDERED, ADJUDGED, AND DECREED that plaintiff Shirley Goodman is a joint owner of the copyright of the song entitled "Let the Good Times Roll" and as such is entitled to one half of the income from said song;

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Register of Copyrights shall rectify the

records of the Copyright Office to indicate that Shirley Goodman is a co-author and joint owner of the copyright registration and renewal thereof for the song entitled "Let the Good Times Roll," and that such records be corrected (1) to show Leonard Lee and Shirley Goodman as co-authors under Registration No. EU 444079 through the first term of Copyright; and (2) to show Shirley Goodman as on-half owner of the renewal estate of the copyright to "Let the Good Times Roll" by issuance of a Certificate of Renewal under the Renewal under the Regulations of the Copyright Office;

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that plaintiff Shirley Goodman is entitled to one-half of all royalties, domestic and foreign, received by the defendants Audrey Lee and Nikki Lee from 1976 to 1993, or $278,293.02 together with prejudgment interest, at the rates set by La. Civ. Code Art. 2924 (West Supp. 1994), or $392,606.37, for the total sum of $670,899.39, and all costs.

s/ Morey L. Sear
MOREY L. SEAR
UNITED STATES DISTRICT JUDGE

APPENDIX C — JUDGMENT OF THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF LOUISIANA FILED DECEMBER 23, 1994

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

CIVIL ACTION

NO. 85-2966

SECTION "G"

SHIRLEY GOODMAN

VERSUS

AUDREY LEE AND NIKKI LEE

JUDGMENT

Considering the written Memoranda and Order of the Court;

IT IS ORDERED, ADJUDGED, AND DECREED that the plaintiff Shirley Goodman is entitled to one-half of all royalties, domestic and foreign, received by the defendants Audrey Lee and Nikki Lee from 1976 to 1993, or $278,293.02, together with prejudgment interest, from the dates royalties were received by the defendants at the rates set by La. Civ. Code Art. 2924 (West Supp. 1994), and all costs.

New Orleans, Louisiana, this 23rd day of December, 1994.

s/ Loretta G. Whyte
LORETTA G. WHYTE, CLERK

Appendix C

s/ Morey L. Sear
MOREY L. SEAR
UNITED STATES DISTRICT COURT

APPENDIX D — MEMORANDUM AND ORDER OF THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF LOUISIANA FILED DECEMBER 20, 1994

MINUTE ENTRY
SEAR, J.
DECEMBER 19, 1994

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

CIVIL ACTION
NO. 85-2966
SECTION "G"

SHIRLEY GOODMAN

VERSUS

AUDREY LEE AND NIKKI LEE

MEMORANDUM AND ORDER

I. *Background*

On July 9, 1985, plaintiff Shirley Goodman filed suit against defendants Audrey Lee and Nikki Lee for authorship and copyright ownership to the 1956 Rock and Roll hit "Let the Good Times Roll." Additionally, plaintiff sought an accounting from defendants for one half of the royalties and other payments received from the song. After a jury verdict in favor of plaintiff, I entered judgment on February 29, 1988 providing that plaintiff is a joint owner of the copyright of the song "Let the Good Times Roll" and that plaintiff "is entitled to one half of the income from said song from 1956 to date, together with pre-judgment interest

thereon, and all costs."[1]

Defendants appealed the judgment to the United States Court of Appeals for the Fifth Circuit. On May 13, 1993, the Fifth Circuit entered an order dismissing the appeal for lack of jurisdiction on the grounds that since there had been no determination of damages, there was no final judgment.[2] On June 22, 1993, pursuant to 28 U.S.C. § 636 (b) (1) (A) and (b) (3), I issued an order referring the damage issues to Magistrate Judge Lance Africk for purposes of fixing damages consistent with the court's judgment.

The Report and Recommendation of the Magistrate Judge were entered on July 20, 1994. The Magistrate Judge found that plaintiff is entitled to $301,731.03, or one half of all royalties paid to Leonard Lee from 1960 to 1976 and to defendants from 1976 to 1993, along with prejudgment interest from date of judicial demand, at the rates set by La. Civ. Code Art. 2924 (West Supp. 1994), and all costs. Both plaintiff and defendants filed written objections to the Magistrate Judge's Report and Recommendation. I review *de novo* those portions of the Report and Recommendation to which the parties object. 28 U.S.C. § 636 (b) (1) (C).

A. *Defendants' Objections*

Defendants object to the following items being included in the award against them: (1) royalty income received by Leonard

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1. Judgement dated February 29, 1988 (Doc. No. 91).

2. *See* Judgement and Opinion of the Fifth Circuit Court of Appeals dated April 20, 1993 (Doc. No. 165).

Lee during his lifetime from which defendants received no benefit; (2) foreign royalties received by Leonard Lee or by defendants because the Copyright Act does not have extraterritorial operation; (3) royalties received by defendants any time prior to three years prior to commencement of this action, or July 9, 1982, due to the three year statute of limitations provided by Section 507 of the Copyright Act; and (4) prejudgment interest, but if prejudgment interest is awarded, it should be computed not only from the date of judicial demand, but also only upon defendants' receipts after December 1984, the first notice given by plaintiff to defendants of plaintiff's claim. Finally, defendants contend that any award against them is inconsistent with the findings of the jury in the trial of this matter.

B. *Plaintiff's Objections*

Plaintiff objects to the following items being excluded from her award against defendants: (1) prejudgment interest from 1956 to 1985, the date of judicial demand; (2) any recovery for the years 1956 to 1959 for which earnings records were not available; and (3) any recovery for earnings received by defendants from one of the two publishers of "Let the Good Times Roll," EMI/SBK from 1960 to 1975, for which earnings records were not available. Finally, plaintiff argues that she is entitled to one half of all earnings on the song, including sums retained by publishers of "Let the Good Times Roll," as opposed to one half of the royalties received by defendants and Leonard Lee.

C. *Magistrate Judge's Findings*

The parties raised some of these issues in their memoranda

of law and fact submitted pursuant to the March 30, 1994 status conference before the Magistrate Judge. The Magistrate Judge thus addressed them in his Report and Recommendation.

In response to defendants' first and second objections, the Magistrate Judge noted that defendants failed to raise these issues at trial and that his role was not to resolve substantive issues but to determine damages as defined by the court's judgment. The Magistrate Judge stated that the judgment of the court providing that plaintiff is entitled to one half of the earnings from "Let the Good Times Roll" from 1956 to date does not make any distinction between royalties paid to Leonard Lee as opposed to his heirs, nor between foreign as opposed to domestic royalties. Consequently, plaintiff was entitled both to royalties paid to Leonard Lee and foreign royalties paid to both Leonard Lee and defendants.[3]

With respect to plaintiff's second and third objections, the Magistrate Judge held that plaintiff was not entitled to royalties earned between 1956 and 1959 and by EMI/SBK from 1960 to 1975 because there are no records to support the amount of royalties earned during these periods. Citing *Stokes v. Georgia-Pacific Corp.*, 894 F.2d 764, 770 (5th Cir. 1990), the Magistrate Judge noted that plaintiff must establish damages with some degree of certainty. Plaintiff's estimations with respect to royalties earned from 1956 to 1959 were based purely upon "speculation and conjecture," and plaintiff failed to present the court with a reasonably accurate method by which royalties paid by EMI/SBK from 1960 to 1975 could be estimated with reasonable certainty.

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3. The merits of defendants' objections are addressed below.

Finally, with respect to the issue of prejudgment interest, the Magistrate Judge noted that the parties agreed that Louisiana law governed the assessment of prejudgment interest.[4] While this action is not "ex delicto," the Magistrate Judge nonetheless found guidance from Louisiana conversion cases wherein the court applied La. Rev. Stat. Ann. § 13:4203 (1991) and awarded prejudgment interest from the date of judicial demand.[5] The Magistrate Judge further reasoned that such an award was reasonable in light of the fact that "Let the Good Times Roll" produced significant royalties during the years following the filing of the suit as compared to the royalties earned before the case was initiated.

II. *Analysis*

A. *Defendants' Objections*

Defendants first object to an award against them which includes royalty income received solely by Leonard Lee during his lifetime. Defendants argue that under Louisiana law, a succession is a distinct legal entity capable of answering for its alleged liabilities until it is terminated.[6] Defendants submit that

4. *See Hansen v. Continental Ins. Co.*, 940 F.2d 971, 983 (5th Cir. 1991); *Bartholomew v. CNG Producing Co.*, 832 F.2d 326 (5th Cir. 1987).

5. La. Rev. Stat. Ann. § 13:4203 (1991) provides as follows:

> Legal interest shall attach from date of judicial demand, on all judgments, sounding in damages, "ex delicto", which may be rendered by any of the courts.

6. *See Danos v. Waterford Oil Company*, 225 So.2d 708 (La. 1969); *Jones v. Diebert Bancroft & Ross Co., Ltd.*, 308 So.2d 369 (La.App.1st Cir.); *Succession of Hoffpauir*, 411 So.2d 714 (La.App.4th Cir. 1986); *Succession of Christophe v. Lotten*, 487 So.2d 529 (La.App.4th Cir. 1986).

the succession of Leonard Lee was opened April 19, 1977 but to date has not been closed.[7] Nonetheless, neither the estate of Leonard Lee nor its succession representative is a defendant in this action. Plaintiff simply cannot recover against defendants for any indebtedness of the succession of Leonard Lee.

A co-owner of a copyright has an independent right to use or license the use of the copyright, but must account to other co-owners for any profits earned from the licensing or use of the copyright.[8] The duty to account does not derive from the copyright law's proscription of infringement, but "comes from 'equitable doctrines relating to unjust enrichment and general principles of law governing the rights of co-owners.' "[9] Each co-owner is generally treated as a tenant in common under pre-existing common law principles.[10]

Under Louisiana law, a co-owner of common property similarly must account to his or her co-owners for all rents and revenues derived from the property.[11] "Whatever amount shown

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7. *See* Succession of Leonard Lee attached as Exhibit A to Defendants' Memorandum on the Issue of Accounting for Profits submitted to Magistrate Judge Africk.

8. *See Oddo v. Ries*, 743 F.2d 630, 632-33 (9th Cir. 1984); *Picture Music, Inc. v. Bourne, Inc.*, 314 F.Supp. 640, 646-47 (S.D.N.Y. 1970); H.R. Rep. No. 1676, 94th Cong., 2d Sess. 121 (1976) (printed in 1976 U.S.C.C.A.N. 5659, 5736).

9. *Oddo*, 743 F.2d at 633 (quoting *Harrington v. Mure*, 186 F.Supp. 655, 657-58 (S.D.N.Y. 1960).

10 *See Picture Music*, 314 F.Supp. at 646; H.R. Rep. No. 1676 at 121.

11. *See Succession of Grubbs*, 182 So.2d 203, 206 (La.App.2d Cir. 1965).

to be due constitutes a debt."[12] If such a debt arises from rents and revenues derived from common property by a deceased, the appropriate remedy is to file a claim against the estate of the deceased. Thus, in Grubbs, a son brought a claim for an accounting against his father's estate for income derived from property jointly owned by him and his father before his father's death.

Indeed, an individual has no cause of action against the heirs for debts owed by the separate estate of a deceased.[13] The proper remedy for the payments of debts owed by a succession under administration is set forth in LSA-C.C.P. articles 3241, et seq.

> Under these articles, such debts of the succession . . . are properly presented to the executrix in her proposed tableau of distribution. Any opposition to payment of debts so proposed may be filed by the heirs prior to the homologation of such tableau. The opposition by the heirs to the payment of the proposed debts creates an adversary proceeding between the heirs and the succession representative for a determination of whether such succession representatives shall be authorized by the court to pay such debts. For the purpose of such litigation, the succession representative . . . becomes the proper defendant.[14]

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12. *Id.*

13. *See Laughlin v. City of Crowley*, 411 So.2d 708, 717 (La.App.3rd Cir. 1982).

14. *Id.*

Defendants are therefore correct in their assertion that plaintiff cannot recover from them royalties received by Leonard Lee during his lifetime. Any royalties received by Leonard Lee and owed plaintiff as co-owner of the copyright to "Let the Good Times Roll" constitutes a debt which must be claimed against the estate of Leonard Lee.

Defendants also object to the Magistrate Judge's inclusion in the damage award of foreign royalties received by defendants. Defendants submit that plaintiff's claims for declaratory judgment as co-owner of the copyright to "Let the Good Times Roll" and for an accounting of royalties received by defendants are actions arising under the Copyright Act, 17 U.S.C. § 101 et seq.[15] Because the federal Copyright Act does not have extraterritorial operation, there is no right to a recovery of damages under the Copyright Act for infringements occurring outside the United States.[16]

It is true that United States Copyright laws do not have extraterritorial effect and therefore, " 'infringing actions that take place entirely outside the United States are not actionable.' "[17] Plaintiff's claim for an accounting of royalties as co-owner of the copyright to "Let the Good Times Roll" is not, however, an action based upon an infringement of her copyright. Indeed, a co-owner of a copyright cannot be liable to another co-

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15. *See Stone v. Williams*, 970 F.2d 1043 (2nd Cir. 1992).

16. *See Robert Stigwood Group Ltd. v. O'Reilly*, 530 F.2d 1096 (2nd Cir. 1976).

17. *Subafilms, Ltd. v. MGM-Pathe Communications*, 24 F.3d 1088, 1091 (9th Cir. 1994) (quoting *Peter Starr Prod. Co. v. Twin Continental Films, Inc.*, 783 F.2d 1440, 1442 (9th Cir. 1986).

owner for infringement of the copyright.[18] "Consequently, a suit to bring the co-owner of a copyright to account does not fall within the district court's jurisdiction over actions arising under the copyright law," [19] The extra-territorial nature of copyright law is inapposite to whether plaintiff is entitled to an accounting of foreign royalties received by defendants.

In any event, where some infringing acts do take place in the United states, a plaintiff may recover through a constructive trust the extra-territorial profits derived from those infringing acts.[20] The acts complained of in this suit are the intentional misrepresentation and concealment by Leonard Lee and defendants of the fact that Leonard Lee listed himself as the sole author of "Let the Good Times Roll" and Leonard Lee and defendants collected royalty income from the song. These acts of misrepresentation and concealment took place in the United States. Therefore, even if defendants' acts constituted an infringement, plaintiff's claims would be actionable under the copyright law, and plaintiff would be entitled to recover the

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18. *See Oddo*, 743 F.2d at 632-33.

19. *Id.* at 633 n.2. Defendants' reliance on *Stone v. Williams* is misplaced. The plaintiff in that case sought entitlement to renewal copyrights as the child of a copyright owner under §§ 24 and 304 (a) of the 1909 and 1976 Copyright Acts. Her claim thus arose under the Copyright Act. In contrast, a co-owner's right to an accounting arises under general property law. "There is . . . no need for a specific statutory provision concerning the rights and duties of the co-owners of a work; court-made law on this point is left undisturbed." H.R. Rep. No. 1676 at 121.

20. *See Itsi T.V. Productions v. Cal. Auth. of Racing Fairs*, 785 F.Supp. 854, 862 (E.D. Cal. 1992); *Fantasy, Inc. v. Fogerty*, 664 F.Supp. 1345, 1351 (N.D. Cal. 1987) (citing *Robert Stigwood*, 530 F.2d at 1101).

foreign royalties derived from defendants' fraudulent concealment.

Defendants next contend that any award against them should exclude royalties received any time prior to three years prior to commencement of this action, or July 9, 1982, due to the three year statute of limitations provided by Section 507 of the Copyright Act. Defendants rely on *Stone v. Williams*, where the plaintiff's claim for copyright renewals was limited to the period of three years prior to commencement of the action.[21]

If plaintiff's claim arises solely under copyright law or if copyright law preempts plaintiff's state law claims, then he three-year statute of limitations provided by the Copyright Act applies and plaintiff's recovery should be limited to the period of three years prior to the commencement of the action. Plaintiff asserted three causes of action in her complaint: (1) for a declaratory judgment that she is joint owner of the copyright to "Let the Good Times Roll," (2) for fraud and misrepresentation, and (3) for imposition of a constructive trust. Plaintiff's claims were initially dismissed for lack of subject matter jurisdiction, but the Fifth Circuit reversed, holding that plaintiff's claim for a declaratory judgment to establish joint authorship of a copyrighted work arises under the federal copyright law.[22] Defendants therefore contend that plaintiff's claims all fall under the federal copyright law.

The Fifth Circuit noted, however, that plaintiff "also claims

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21. *Stone*, 970 F.2d at 1051-52.

22. *See* Opinion of the Fifth Circuit Court of Appeals dated May 1, 1987 (Doc. No. 35).

that she is entitled to receive one-half of all proceeds from the use and exploitation of ["Let the Good Times Roll"], which could involve state law issues within our pendent jurisdiction."[23] As the legislative history to the Copyright Act makes clear, claims by a co-owner of a copyright for an accounting do not fall under the copyright law, but are based on the pre-existing common law of tenancy in common.[24] Moreover, courts have consistently held that fraud claims relating to copyright disputes which require plaintiff to establish the element of misrepresentation are not pre-empted by federal copyright law.[25]

Plaintiff's fraud claim required her to prove the existence of an intentional misrepresentation[26] and therefore is not pre-empted by the federal copyright law. Because plaintiff's damages arise under her fraud claim, rather than under her

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23. *Id.* at 3620.

24. H.R. Rep. No. 1676 at 121; *see also Oddo*, 743 F.2d at 633 n.2.

25. *See Valente-Kritzer Video v. Pinckney*, 881 F.2d 772, 776 (9th Cir. 1989) (citing H.R. Rep. No. 94-1476 at 132 ("[T]he general laws of defamation and fraud, would remain unaffected as long as the causes of action contain elements . . . that are different in kind from copyright infringement."); *Lasercomb America, Inc. v. Reynolds*, 911 F.2d 970, 972 (4th Cir. 1990); *Fitzgerald Pub. Co., Inc. v. Baylor Pub. Co., Inc.*, 807 F.2d 1110, 1112-1113 (2nd Cir. 1986); *Storer Cable Com. v. City of Montgomery, Alabama*, 806 F.Supp. 1518, 1532 (M.D. Ala. 1992); *Korman v. Iglesias*, 736 F.Supp. 261, 264 (S.D. Fla. 1990).

26. *See* Jury Instructions (Doc. 81) (The term "fraud" is generally defined in the law as an intentional misrepresentation of material existing fact made by one party to another with knowledge of its falsity and to induce the other party to act, and upon which the other party reasonably relies with resulting injury or damage.)

declaratory action pursuant to the copyright law, the statute of limitations for fraud should apply. As I noted in my Memorandum and Order dated February 6, 1990 denying defendants' motion for judgment notwithstanding the verdict and for new trial[27] under La. Civ. Code Art. 3499, plaintiff's claim is subject to the ten year liberative prescription for personal actions. Plaintiff filed her complaint on July 9, 1985. It is therefore unnecessary to determine whether her damage should be limited to ten years prior to initiation of this action, since I have already determined that she cannot recover for royalties received by Leonard Lee prior to 1976.

Defendants also object to the Magistrate Judge's determination of the appropriate measure of pre-judgment interest to apply to plaintiff's damage award. Defendants initially submitted in their memorandum to the court on the issue of calculating damages that pre-judgment interest should be calculated only from the date of judicial demand, not from 1956. The Magistrate Judge followed defendants' analysis, but defendants now argue that pre-judgment interest should be computed only on defendants' receipts after December 1984, the first notice given by plaintiff to defendants of plaintiff's claim. Defendants fail to present, however, and I cannot find, any authority for limiting an award of pre-judgment interest in such manner.

Finally, defendants argue that any award of damages in this case is unwarranted because the jury did not find that defendants concealed anything from plaintiff. Specifically, in response to jury interrogatory number 5, the jury found that defendants did not conceal from plaintiff the fact that Leonard Lee claimed sole

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27. Doc. No. 122.

credit for writing "Let the Good Times Roll." In addition, in response to jury interrogatory number 6, which states

> Do you find by a preponderance of the evidence that Leonard Lee, and after his death, the defendants, . . . concealed from [plaintiff] the fact that there were earnings from the song "Let the Good Times Roll" . . . ?

the jury answered affirmatively, but deleted the final part of the interrogatory which stated "to which [plaintiff] was entitled as co-author." Defendants submit that the only reasonable interpretation of the jury's response is that they did not find defendants had concealed anything from plaintiff, and thus plaintiff was not entitled to recover damages.

I reject defendants' argument. The jury clearly found that defendants concealed from plaintiff that there were earnings from "Let the Good Times Roll." The fact that the jury answered interrogatory number 5 negatively is in no way inconsistent with its affirmative response to interrogatory number 6. Interrogatories 5 and 6 are materially different. Interrogatory number 5 asks if defendants concealed from plaintiff the fact that Leonard Lee claimed sole credit for writing "Let the Good Times Roll." Interrogatory number 6, in contrast, asks whether defendants concealed the fact that there were earnings from the song. Interrogatory 5 thus relates to authorship while interrogatory 6 relates to earnings. It is not inconsistent for the jury to find that defendants did not conceal Leonard Lee's claim of sole authorship but did conceal earnings from the song.

Appendix D

B. *Plaintiff's Objections*

Plaintiff's objections to the Magistrate Judge's failure to include in the amount of damages, royalties earned from 1956 to 1959 and by EMI/SBK from 1960 to 1976 are also without merit. Plaintiff failed to provide the court documentation to support her claims for these damages. As the Magistrate Judge found, plaintiff failed to show the extent of damages by "just and reasonable inference." *See Story Parchment Co. v. Paterson Parchment Paper Co.*, 282 U.S. 555, 562 (1931). In any event, plaintiff's objections are irrelevant since I have already determined that plaintiff should not recover royalties received solely by Leonard Lee from 1956 to 1976, the time period for which royalties records are missing.

In addition, plaintiff objects to the Magistrate Judge's findings with respect to pre-judgment interest. Plaintiff first argues that the court's order granting plaintiff "one half of the income from said song from 1956 to date, together with pre-judgment interest thereon" unambiguously provides that pre-judgment interest should be calculated from 1956, rather than from date of judicial demand. The term "pre-judgment interest thereon," however, only establishes that plaintiff is entitled to the appropriate measure of pre-judgment interest. I referred this matter to the Magistrate Judge in order to determine the correct method of calculating such pre-judgment interest.

Plaintiff objects to the Magistrate Judge's calculation of pre-judgment interest on the grounds that the conversion cases relied upon by the Magistrate Judge are not applicable to this case. Rather, plaintiff argues that defendants' obligation to pay plaintiff her share of royalties from "Let the Good Times Roll" was analogous to a debt, and pursuant to La. Civ. Code Art. 2000,

pre-judgment interest should be awarded from the date defendants failed to pay royalties to plaintiff.[28]

Plaintiff cites several cases involving breach of a debt obligation or breach of contract to support her contention.[29] Plaintiff also relies upon *Theriot v. Theriot*, 622 So.2d 257 (La. App. 1st Cir. 1993), in which the court awarded pre-judgment interest from the date of the community property settlement on payment for assets concealed by the husband defendant from his ex-wife plaintiff. The court reasoned that "an obligation to transfer to a former spouse her share of the community is due and payable when the community is dissolved." *Id.* at 264. Finally, plaintiff cites *dela Vergne v. dela Vergne*, 514 So.2d 186 (La. App. 4th Cir. 1987), where the court held that pre-judgment interest was due from the date the defendant acquired property from the plaintiff at a fraudulently reduced price.

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28. La. Civ. Code Art. 2000 provides:

> "When the object of the performance is a sum of money, damages for delay in performance are measured by the interest on that sum from the time it is due. . . . The obligee may recover these damages without having to prove any loss, and whatever loss he may have suffered he can recover no more. . . ."

29. *See Shell Offshore, Inc. v. M.H. Marr*, 916 F.2d 1040 (5th Cir. 1990) (awarding pre-judgment interest from date defendant repudiated loan agreement); *Thomas b. Catchings v. Baton Rouge*, 621 So.2d 767 (La. 1993) (holding that defendant was entitled to interest from date of default on contract); *Ortega v. Dupont*, 611 So.2d 792 (La. App. 3rd. Cir. 1992) (awarding pre-judgment interest from date of breach of construction contract); *Firebond Cor. v. Aetna Cas. & Sur. Co.*, 583 So.2d 848 (La. App. 1st Cir. 1991) (stating that interest is due from date of breach of construction contract).

Appendix D

A duty to account to a tenant in common leads to the existence of a debt under Louisiana law.[30] Like the obligation to transfer community property to a former spouse, the obligation to pay a co-author her share of royalties earned on her work arises the moment such royalties are received. Defendants failure to pay plaintiff her share of the proceeds from "Let the Good Times Roll" thus created a debt obligation to plaintiff upon which, pursuant to La. Civ. Code Art. 2000, interest accrued from the time such payments were first owed.

Finally, plaintiff objects to the Magistrate Judge's failure to award her one-half of all earnings of "Let the Good Times Roll," including those amounts retained by Atlantic Music, BMI, and other co-publishers representing expenses for exploitation of the song and the collection and accounting of royalties. Instead, the Magistrate Judge awarded plaintiff one-half of all royalties paid on the song "Let the Good Times Roll" to Leonard Lee from 1960 to 1976 and to Audrey and Nikki Lee from 1976 to 1993, as stipulated by the parties.[31]

First, Atlantic Music, BMI, and the other co-publishers of "Let the Good Times Roll" are not parties to this action and plaintiff cannot recover for amounts retained by them. Further, as defendants point out in their memorandum to the court on the issue of calculation of damages, plaintiff requested in her complaint that she be awarded one-half of royalties and other payments received by defendants.[32] The Magistrate Judge also

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30. *See Succession of Grubbs*, 182 So.2d at 206.

31. *See* Joint Stipulations attached to this Memorandum and Order ("Joint Stipulations") submitted by the parties to the Magistrate Judge to aid in his determination of damages.

32. *See* paragraph 46 of plaintiff's complaint.

noted that during oral arguments before the Fifth Circuit, plaintiff's counsel stated that she wanted one-half of those amounts actually paid to the defendants.[33] The Magistrate Judge thus correctly awarded plaintiff one-half of only those amounts actually received by defendants.

Having conducted a *de novo* review, I find that plaintiff is entitled to one-half of all royalties, domestic and foreign, received by defendants from 1976 to 1993, along with prejudgment interest, from the dates royalties were received by defendants, at the rates set by La. Civ. Code Art. 2924 (West Supp. 1994), and all costs. The parties stipulated that the amount of royalties both foreign and domestic received by defendants from 1976 to 1993 is $556,586.05.[34]

Let judgment be entered accordingly.

s/ Morey L. Sear
MOREY L. SEAR
UNITED STATES DISTRICT JUDGE

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33. *See* Report and Recommendation of Magistrate Judge n. 4.

34. *See* Joint Stipulations.

APPENDIX E — JUDGMENT OF THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF LOUISIANA FILED FEBRUARY 29, 1988

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

CIVIL ACTION

NO. 85-2966

SECTION G

SHIRLEY GOODMAN

VERSUS

AUDREY LEE AND NIKKI LEE

JUDGMENT

Considering the answers of the jury to the interrogatories propounded by the Court at the trial of this matter; and the direction of the Court as to entry of judgment;

IT IS ORDERED, ADJUDGED AND DECREED that there be judgment in favor of plaintiff, Shirley Goodman, and against defendants, Audrey Lee and Nikki Lee; that plaintiff, Shirley Goodman, is a joint owner of the copyright of the song entitled "Let The Good Times Roll"; and that plaintiff, Shirley Goodman is entitled to one half of the income from said song from 1956 to date, together with prejudgment interest thereon, and all costs.

IT IS FURTHER ORDERED that the Register of

Appendix E

Copyrights shall rectify the records of the Copyright Office to indicate that plaintiff, Shirley Goodman, is a co-author and joint owner of the copyright registration and renewal thereof for the song entitled "Let The Good Times Roll," and that the copyright records be corrected (1) to show Leonard Lee and Shirley Goodman as co-authors under Registration NO. EU 444079 through the first term of copyright; and (2) to show Shirley Goodman as one-half owner of the renewal estate of the copyright to "Let The Good Times Roll" by issuance of a Certificate of Renewal under Regulations of the Copyright Office.

Dated at New Orleans, Louisiana, this 29th day of February, 1988.

s/ Loretta G. Whyte
LORETTA G. WHYTE, CLERK

APPROVED AS TO FORM:

s/ illegible
UNITED STATES DISTRICT JUDGE

APPENDIX F — OPINION OF THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT DATED MAY 1, 1987

Shirley GOODMAN, Plaintiff-Appellee,

v.

Audrey LEE and Nikki N. Lee, Defendants-Appellees.

No. 86-3153.

United States Court of Appeals,
Fifth Circuit

May 1, 1987

Richard E. Bennett, New York City, David Paddison, Covington, La., for defendants-appellees.

Frederick Burkart, New Orleans, La., for plaintiff-appellant.

Appeal from the United States District Court for the Eastern District of Louisiana.

Before WILLIAMS, JOLLY and DAVIS, Circuit Judges.

JERRE S. WILLIAMS, Circuit Judge:

Shirley Goodman brought this action against Audrey and Nikki Lee in the United States District Court for the Eastern District of Louisiana under the Declaratory Judgment Act, 28 U.S.C. § 2201 et seq., and the Copyright Act, 17 U.S.C. § 101 et seq. Goodman claimed to have written the song "Let The Good

Times Roll" in conjunction with Leonard Lee, the deceased husband and father of appellees. She sought to have the copyright registration changed to reflect her co-authorship. The Lees moved for summary judgment, which the district court granted for lack of subject matter jurisdiction. Because we determine that federal jurisdiction does exist in an action for a declaratory judgment to establish co-authorship under copyright legislation, we reverse and remand for trial on the merits.

I. Facts

Appellant Shirley Goodman and Leonard Lee grew up in the same neighborhood in New Orleans and had been good friends since early childhood. Both Goodman and Lee were very interested in music and, in 1952, began composing songs together. They also recorded their songs under the professional name of "Shirley and Lee." Their biggest hit, "Let The Good Times Roll," has also been recorded by such musical luminaries as Barbara Streisand, Ray Charles, Roy Orbison, and Jerry Lee Lewis.

Leonard Lee was responsible for managing the business affairs of "Shirley and Lee," including copyright registration of the jointly composed songs.

The first copyrights obtained by Lee listed Goodman and Lee as co-authors. Later songs, including "Let The Good Times Roll," were registered only in the name of Leonard Lee. Goodman did not receive any publishing royalties from the songs registered solely under Lee's name. [1]

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1. Publishmg royalties are paid to an author by the publishing company when other performers decide to record the copyrighted song. For example, if

(Cont'd)

Appendix F

Goodman claims that she did not learn that the songs were registered only in Lee's name until the original copyrights were up for renewal in 1984. After acquiring this knowledge, she filed an application to have the registration renewed in the names of Shirley Goodman and Leonard Lee as co-authors. Copyright Office regulations provide that the registration could be changed only by the proprietor of the copyright. Goodman then filed suit in district court against Audrey Lee, Leonard Lee's widow, and Nikki Lee, his minor child.[2] She sought a declaratory judgment to the effect that the song "Let The Good Times Roll" was a joint work within the meaning of § 101 of the Copyright Act.[3] She also requested the court to include her name as a co-author with Lee and to order an accounting of all royalty income to which she was otherwise entitled.

The district court granted the Lees' motion for summary judgment dismissing the cause of action for lack of subject matter jurisdiction. Goodman filed the timely notice of appeal.

(Cont'd)
a prominent vocalist decided to record "Let The Good Times Roll," he or she would pay the publishing company for a license to use the song. The company would keep a large fraction of the amount for its own use, usually fifty percent, and remit the remainder of the money to the composer.

2. Leonard Lee died in 1976. Under 17 U.S.C. § 304(a), a surviving spouse or any children are entitled to renew a copyright if the author is not living.

3. "A joint work' is a work prepared by two or more authors with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole. "

Appendix F

II. Subject Matter Jurisdiction

A federal district court has exclusive original jurisdiction over civil actions which arise under congressional acts relating to copyrights. See 28 U.S.C. § 1338(a).[4] "[A]n action 'arises under' the Copyright Act if and only if the complaint is for a remedy expressly granted by the Act . . . or asserts a claim requiring constructing of the Act, . . . or, at the very least and perhaps more doubtfully, presents a case where a distinctive policy of the Act requires that federal principles control the disposition of the claim." T.B. Harms Co. v. Eliscu, 339 F.2d 823, 828 (2d Cir. 1964), cert. denied, 381 U.S. 915, 85 S.Ct. 1534, 14 L.Ed.2d 435 (1965). Goodman's complaint alleges that she is an actual joint co-author of "Let The Good Times Roll." She also claims that she is entitled to receive one-half of all proceeds from the use and exploitation of that song, which could involve state law issues within our pendent jurisdiction.[5] In any event, the case clearly involves the application and interpretation of the copyright ownership provisions of 17 U.S.C. § 201(a).[6]

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4. "The district courts shall have original jurisdiction of any civil action arising under any Act of Congress relating to ... copyrights. . . . Such jurisdiction shall be exclusive of the courts of the states in . . . copyright cases."

5. See Lieberman v. Estate of Chayefsky, 535 F.Supp. 90, 92 n. 5 (S.D.N.Y. 1982).

6. "Copyright in a work protected under this title vests initially in the author or authors of the work. The authors of a joint work are coowners of copyright in the work." This provision merely restates basic and well-established principles of copyright law. Although the original copyright to "Let The Good Times Roll" was acquired under the Copyright Act of 1909, the later Copyright Act of 1976 makes no substantive change in the provisions relevant to this case.

Therefore, federal jurisdiction over this case was proper, and the district court erred in dismissing Goodman's cause of action.[7]

We reach this conclusion based upon the clear wording of the statute. This view is also confirmed in litigation and by scholarly inquiry. An acknowledged leading case in this area is Lieberman v. Estate of Chayefsky, 535 F.Supp. 90 (S.D.N.Y.1982). Lieberman involved a dispute over the ownership of the copyright to the novel and screenplay, "Altered States." As in the case now before us, the plaintiff claimed that he was a co-author of the copyrighted material and that it was a joint work under the definition contained in 17 U.S.C. § 101. The defendant moved to dismiss for lack of subject matter jurisdiction, but the court denied the motion. It determined that federal jurisdiction existed because "the claimed right upon which plaintiff bases his claim arises directly from the statute" and "[r]esolution of the central issue in this case depends upon the application of [the] statutory definition [of 17 U.S.C. §101]." Id. at 91.

The district court, in granting the Lees' motion for summary judgment, relied upon a "line of Southern district in New York cases" which it considered to be "correct in their appraisal of the jurisdiction question." These cases held generally that an action to establish title is not one which "arises under" the Copyright Act and that, therefore, no federal jurisdiction exists. See, e.g., Rotardier v. Entertainment Co. Music Group, 518 F.Supp. 919 (S.D.N.Y.1981); Keith v. Scruggs, 507 F.Supp. 968 (S.D.N.Y.1981); Harrington v. Mure, 186 F.Supp. 655

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7. Appellees argue that, even if federal jurisdiction exists, Goodman will be unable to prove her co-authorship of "Let The Good Times Roll." This contention implicatmg the merits is for the district court upon trial.

(S.D.N.Y.1960). Lieberman, however, has been recognized as presenting the "better view" of the jurisdiction question. See 3 Nimmer on Copyright § 12.01[A], at 12-7 (1986). Further, Goodman's claim is thoroughly distinguishable from the cases relied upon by the district court. The Rotardier, Keith, and Harrington cases concerned ownership disputes arising from contractual agreements between the parties. In Rotardier, for example, the plaintiff assigned the copyrights for a musical score to the defendant with the understanding that if certain conditions were not met, the copyrights would be reassigned back to the plaintiff. A dispute arose, and Rotardier filed suit in federal district court. The court dismissed the complaint, stating that "[t]he controlling issue involves a dispute over title to a copyright arising from an alleged breach of contract. The determination of this issue is dependent upon principles of common law and equity, not the federal copyright laws." 518 F.Supp. at 921. Thus, the issue involved a contract, the subject of which was a copyright. Goodman's claim, in clear contrast, involves the validity of the copyright itself under the Copyright Act.

III. Conclusion

Because we find that exclusive federal district court jurisdiction exists in an action for a declaratory judgment to establish joint authorship of a copyrighted work, the summary judgment of the district court dismissing Shirley Goodman's cause of action against Audrey and Nikki Lee must be reversed.

REVERSED.

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APPENDIX G — JUDGMENT OF THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF LOUISIANA FILED FEBRUARY 7, 1986

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

CIVIL ACTION

NO. 85-2966

SECTION "G"

SHIRLEY GOODMAN

VS

AUDREY LEE, ET AL

JUDGMENT

The Court having on February 5, 1986, granted the defendants motion for summary judgment for lack of subject matter jurisdiction;

IT IS ORDERED ADJUDGED AND DECREED that there be judgment in favor of defendants, Audrey Lee and Nikki N. Lee, and against plaintiff, Shirley Goodman, dismissing plaintiff's suit at her costs.

New Orleans, Louisiana, this 7th day of February, 1986.

s/ Loretta G. Whyte
LORETTA G. WHYTE, CLERK

Appendix G

APROVED AS TO FORM:

s/ illegible
UNITED STATES DISTRICT JUDGE

APPENDIX H — ORDER OF THE UNITED STATES DISTRICT COURT ENTERED FEBRUARY 5, 1986

CIVIL ACTION

NO. 85-2966

DIVISION "G"

SHIRLEY GOODMAN

Plaintiff

VERSUS

AUDREY LEE and NIKKI N. LEE

PLTF — MIKE CARBO, ESQ

DEFTS FREDERICK BURKHART, ESQ.

REPORTER TOM MASSEY

COURTROOM DEPUTY VIC BUCCOLA

JUDGE MOREY L. SEAR PRESIDING

8 WED. FEB 5, 1986 9:15 AM

DEFENDANTS MOTION FOR SUMMARY JUDGMENT

ARGUED

GRANTED

APPENDIX I — RELEVANT STATUTES

COPYRIGHT ACT OF 1976

17 U.S.C. §§ 101, *et seq.*

§ 101. Definitions

A "joint work" is a work prepared by two or more authors with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole.

§ 106. Exclusive rights in copyrighted works

Subject to sections 107 through 120, the owner of copyright under this title has the exclusive rights to do and to authorize an of the following:

(1) to reproduce the copyrighted work in copies or phonorecords;

(2) to prepare derivative works based upon the copyrighted work;

(3) to distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending;

(4) in the case of literary, musical, dramatic, and choreographic works, pantomimes, and motion pictures and

other audiovisual works, to perform the copyrighted work publicly; and

(5) in the case of literary, musical, dramatic, and choreographic works, pantomimes, and pictorial, graphic, or sculptural works, including the individual images of a motion picture or other audiovisual work, to display the copyrighted work publicly.

§ 201. Ownership of copyright

(a) **Initial ownership.** Copyright in a work protected under this title vests initially in the author or authors of the work. The authors of a joint work are co-owners of copyright in the work.

* * *

(d) **Transfer of Ownership.**

(1) The ownership of a copyright may be transferred in whole or in part by any means of conveyance or by operation of law, and may be bequeathed by will or pass as personal property by the applicable laws of intestate succession.

(2) Any of the exclusive rights comprised in a copyright, including

any subdivision of any of the rights specified by section 106, may be transferred as provided by clause (1) and owned separately. The owner of any particular exclusive right is entitled, to the extent of that right, to all of the protection and remedies accorded to the copyright owner by this title.

§ 301. Preemption with respect to other laws

(a) On and after January 1, 1978, all legal or equitable rights that are equivalent to any of the exclusive rights within the general scope of copyright as specified by section 106 in works of authorship that are fixed in a tangible medium of expression and come within the subject matter of copyright as specified by sections 102 and 103, whether created before or after that date and whether published or unpublished, are governed exclusively by this title. Thereafter, no person is entitled to any such right or equivalent right in any such work under the common law or statutes of any State.

(b) Nothing in this title annuls or limits any rights or remedies under the common law or statutes of any State with respect to —

(1) subject matter that does not come within the subject matter of

copyright as specified by sections 102 and 103, including works of authorship not fixed in any tangible medium of expression; or

(2) any cause of action arising from undertakings commenced before January 1, 1978;

(3) activities violating legal or equitable rights that are not equivalent to any of the exclusive rights within the general scope of copyright as specified by section 106; or

(4) State and local landmarks, historic preservation, zoning, or building codes, relating to architectural works protected under section 102(a)(8).

§ 501. Infringement of copyright

(a) Anyone who violates any of the exclusive rights of the copyright owner as provided by sections 106 through 118 or of the author as provided in section 106A(a), or who imports copies of phonorecords into the United States in violation of section 602, is an infringer of the copyright or right of the author, as the case may be. For purposes of this chapter (other than section 506), any reference to copyright shall be deemed to

include the rights conferred by section 106A(a). As used in this subsection, the term "anyone" includes any State, any instrumentality of a State, and any officer or employee of a State or instrumentality of a State acting in his or her official capacity. Any State, and any such instrumentality, officer, or employee, shall be subject to the provisions of this title in the same manner and to the same extent as any nongovernmental entity.

§ 504. Remedies for infringements: Damages and profits

(b) **Actual Damages and Profits.** — The copyright owner is entitled to recover the actual damages suffered by him or her as a result of the infringement, and any profits of the infringer that are attributable to the infringement and are not taken into account in computing the actual damages. In establishing the infringer's profits, the copyright owner is required to present proof only of the infringer's gross revenue, and the infringer is required to prove his or her deductible expenses and the elements of profit attributable to factors other than the copyrighted work.

§ 507. Limitations on actions

(b) **Civil actions.** No civil action shall be

maintained under the provisions of this title unless it is commenced within three years after the claim accrued.